



February 24, 2006

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## ENGROSSED SENATE BILL No. 270

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DIGEST OF SB 270 (Updated February 21, 2006 7:06 pm - DI 77)

**Citations Affected:** IC 2-5; IC 3-7; IC 8-23; IC 12-7; IC 12-8; IC 12-10; IC 12-13; IC 12-14; IC 12-15; IC 12-16; IC 12-17; IC 12-19; IC 29-1; noncode.

**Synopsis:** FSSA matters. Requires the office of Medicaid policy and planning (OMPP) to report changes to the Medicaid plan to the health finance commission and legislative council. Changes references from Aid to Families with Dependent Children (AFDC) program to Temporary Assistance for Needy Families (TANF) program. Increases the time in which certain providers may file an application for indigent care assistance from 45 days to 60 days. Removes language that requires the division of family resources to make prompt and diligent efforts to verify information in indigent care applications and indigent health care services. Requires the OMPP to apply for a Medicaid waiver from the federal United States Department of Health and Human Services from the requirement that nominal copayments be  
(Continued next page)

**Effective:** July 1, 2006.

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**Miller, Sipes, Skinner**

(HOUSE SPONSORS — BROWN T, BROWN C)

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January 9, 2006, read first time and referred to Committee on Health and Provider Services.

January 26, 2006, amended, reported favorably — Do Pass.

February 1, 2006, read second time, amended, ordered engrossed.

February 2, 2006, engrossed. Read third time, passed. Yeas 50, nays 0.

HOUSE ACTION

February 7, 2006, read first time and referred to Committee on Public Health.

February 23, 2006, amended, reported — Do Pass.

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charged when nonemergency services are provided in an emergency room and specifies requirements for collection of the copayment. Requires the office of the secretary of family and social services to develop a plan to provide services under the children's health insurance program (CHIP) to parents of a CHIP recipient and to submit the plan to the legislative council. Repeals the electronic benefits transfer commission. Adds an additional eligibility requirement for the community and home options to institutional care for the elderly and disabled program (CHOICE) concerning the applicant's participation in the Medicaid program. Requires OMPP to submit certain information to the select joint commission on Medicaid oversight.

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February 24, 2006

Second Regular Session 114th General Assembly (2006)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2005 Regular Session of the General Assembly.

## ENGROSSED SENATE BILL No. 270

A BILL FOR AN ACT to amend the Indiana Code concerning human services.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. IC 2-5-23-21 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2006]: **Sec. 21. Not more than thirty (30) days after a change to**  
4 **the state Medicaid plan for the Medicaid program, the office of**  
5 **Medicaid policy and planning shall submit a report of the change**  
6 **to the commission and the legislative council in an electronic**  
7 **format under IC 5-14-6.**

8       SECTION 2. IC 3-7-15-2 IS AMENDED TO READ AS FOLLOWS  
9 [EFFECTIVE JULY 1, 2006]: Sec. 2. The general assembly finds that  
10 the following offices in Indiana provide public assistance within the  
11 scope of NVRA:

12       (1) Each county office of family and children established under  
13 IC 12-19-1 that administers:

14       (A) the ~~Aid to Families with Dependent Children~~ program  
15       (~~AFDC~~) **Temporary Assistance for Needy Families**  
16       **program (TANF)** under IC 12-14; or

17       (B) the Medicaid program under IC 12-15.

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(2) Each office of the division of family and children that administers the food stamp program under federal law.

(3) Each office of the state department of health that administers the Special Supplemental Nutrition Program for the Women, Infants and Children Program (WIC) under IC 16-35-1.5.

SECTION 3. IC 8-23-17-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 8. As used in this chapter, "gross monthly income" means the average of such income during the twelve (12) month period immediately preceding displacement and includes income from all sources whether or not such income is taxable under any state or federal law, and also includes any public assistance received under the following:

~~AFDC~~ TANF assistance.

~~AFDC~~ TANF burials.

~~AFDC~~ TANF IMPACT/J.O.B.S.

~~AFDC-UP~~ Temporary Assistance to Other Needy Families (TAONF) assistance.

ARCH.

Blind relief.

Child care.

Child welfare adoption assistance.

Child welfare adoption opportunities.

Child welfare assistance.

Child welfare child care improvement.

Child welfare child abuse.

Child welfare child abuse and neglect prevention.

Child welfare children's victim advocacy program.

Child welfare foster care assistance.

Child welfare independent living.

Child welfare medical assistance to wards.

Child welfare program review action group (PRAG).

Child welfare special needs adoption.

Food Stamp administration.

Health care for indigent (HIC).

ICES.

IMPACT (food stamps).

Title IV-D (ICETS).

Title IV-D child support administration.

Title IV-D child support enforcement (parent locator).

Medicaid assistance.

Medical services for inmates and patients (590).

Room and board assistance (RBA).

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1 Refugee social service.  
 2 Refugee resettlement.  
 3 Repatriated citizens.  
 4 SSI burials and disabled examinations.  
 5 Title XIX certification.  
 6 Any other law of this state administered by the division of family  
 7 and children.

8 SECTION 4. IC 8-23-17-32 IS AMENDED TO READ AS  
 9 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 32. (a) All amounts  
 10 paid to displaced persons under this chapter are exempt from taxation  
 11 under IC 6-3.

12 (b) A payment received under this chapter is not considered as  
 13 income for the purpose of determining the eligibility or extent of  
 14 eligibility of any person for public assistance under the following:

15 ~~AFDC~~ TANF assistance.  
 16 ~~AFDC~~ TANF burials.  
 17 ~~AFDC~~ TANF IMPACT/J.O.B.S.  
 18 ~~AFDC-UP~~ **Temporary Assistance to Other Needy Families**  
 19 **(TAONF)** assistance.  
 20 ARCH.  
 21 Blind relief.  
 22 Child care.  
 23 Child welfare adoption assistance.  
 24 Child welfare adoption opportunities.  
 25 Child welfare assistance.  
 26 Child welfare child care improvement.  
 27 Child welfare child abuse.  
 28 Child welfare child abuse and neglect prevention.  
 29 Child welfare children's victim advocacy program.  
 30 Child welfare foster care assistance.  
 31 Child welfare independent living.  
 32 Child welfare medical assistance to wards.  
 33 Child welfare program review action group (PRAG).  
 34 Child welfare special needs adoption.  
 35 Food Stamp administration.  
 36 Health care for indigent (HIC).  
 37 ICES.  
 38 IMPACT (food stamps).  
 39 Title IV-D (ICETS).  
 40 Title IV-D child support administration.  
 41 Title IV-D child support enforcement (parent locator).  
 42 Medicaid assistance.

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1 Medical services for inmates and patients (590).  
 2 Room and board assistance (RBA).  
 3 Refugee social service.  
 4 Refugee resettlement.  
 5 Repatriated citizens.  
 6 SSI burials and disabled examinations.  
 7 Title XIX certification.  
 8 Any other Indiana law administered by the division of family and  
 9 children.

10 SECTION 5. IC 12-7-2-34 IS AMENDED TO READ AS  
 11 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 34. "Commission"  
 12 means the following:

13 (1) For purposes of IC 12-10-2, the meaning set forth in  
 14 IC 12-10-2-1.

15 (2) For purposes of IC 12-11-7, the meaning set forth in  
 16 IC 12-11-7-1.

17 (3) For purposes of IC 12-12-2, the meaning set forth in  
 18 IC 12-12-2-1.

19 ~~(4) For purposes of IC 12-13-14, the meaning set forth in~~  
 20 ~~IC 12-13-14-1.~~

21 ~~(5)~~ (4) For purposes of IC 12-14-12, the meaning set forth in  
 22 IC 12-14-12-1.

23 ~~(6)~~ (5) For purposes of IC 12-28-1, the meaning set forth in  
 24 IC 12-28-1-3.

25 SECTION 6. IC 12-8-1-12 IS AMENDED TO READ AS  
 26 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 12. (a) If:

27 (1) the sums appropriated by the general assembly in the biennial  
 28 budget to the family and social services administration for the  
 29 Medicaid assistance, Medicaid administration, public assistance  
 30 ~~(AFDC)~~, (TANF), and the IMPACT (JOBS) work program are  
 31 insufficient to enable the office of the secretary to meet its  
 32 obligations; and

33 (2) the failure to appropriate additional funds would:

34 (A) violate a provision of federal law; or

35 (B) jeopardize the state's share of federal financial  
 36 participation applicable to the state appropriations contained  
 37 in the biennial budget for Medicaid assistance, Medicaid  
 38 administration, public assistance ~~(AFDC)~~, (TANF), or the  
 39 IMPACT (JOBS) program;

40 then there are appropriated further sums as may be necessary to remedy  
 41 a situation described in this subsection, subject to the approval of the  
 42 budget director and the unanimous recommendation of the members of

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the budget committee. However, before approving a further appropriation under this subsection, the budget director shall explain to the budget committee the factors indicating that a condition described in subdivision (2) would be met.

(b) If:

(1) the sums appropriated by the general assembly in the biennial budget to the family and social services administration for Medicaid assistance, Medicaid administration, public assistance (~~AFDC~~), (TANF), and the IMPACT (JOBS) work program are insufficient to enable the family and social services administration to meet its obligations; and

(2) neither of the conditions in subsection (a)(2) would result from a failure to appropriate additional funds;

then there are appropriated further sums as may be necessary to remedy a situation described in this subsection, subject to the approval of the budget director and the unanimous recommendation of the members of the budget committee. However, before approving a further appropriation under this subsection, the budget director shall explain to the budget committee the factors indicating that a condition described in subdivision (2) would be met.

(c) Notwithstanding IC 12-14 and IC 12-15 (except for a clinical advisory panel established under IC 12-15), and except as provided in subsection (d), the office of the secretary may by rule adjust programs, eligibility standards, and benefit levels to limit expenditures from Medicaid assistance, Medicaid administration, public assistance (~~AFDC~~), (TANF), and the IMPACT (JOBS) work program to levels appropriated by the general assembly in the biennial budget. However, if there are additional appropriations under ~~subsections~~ subsection (a) or (b), the office of the secretary may by rule adjust programs, eligibility standards, and benefit levels to limit expenditures from Medicaid assistance, Medicaid administration, public assistance (~~AFDC~~), (TANF), and the IMPACT (JOBS) program to levels that are further appropriated under ~~subsections~~ subsection (a) or (b). The office of the secretary may adopt emergency rules under IC 4-22-2-37.1 to make an adjustment authorized by this subsection. However, adjustments under this subsection may not:

(1) violate a provision of federal law; or

(2) jeopardize the state's share of federal financial participation applicable to the state appropriations contained in the biennial budget for Medicaid assistance, Medicaid administration, public assistance (~~AFDC~~), (TANF), and the IMPACT (JOBS) work program.

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(d) Subject to IC 12-15-21-3, any adjustments made under subsection (c) must:

- (1) allow for a licensed provider under IC 12-15 to deliver services within the scope of the provider's license if the benefit is covered under IC 12-15; and
- (2) provide access to services under IC 12-15 from a provider under IC 12-15-12.

SECTION 7. IC 12-8-1-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 13. (a) Subject to the appropriation limits established by the state's biennial budget for the office of the secretary and its divisions, and after assistance, including assistance under ~~AFDC~~ TANF (IC 12-14), medical assistance (IC 12-15), and food stamps (7 U.S.C. 2016(i)), is distributed to persons eligible to receive assistance, the secretary may adopt rules under IC 4-22-2 to offer programs on a pilot or statewide basis to encourage recipients of assistance under IC 12-14 to become self-sufficient and discontinue dependence on public assistance programs. Programs offered under this subsection may do the following:

- (1) Develop welfare-to-work programs.
- (2) Develop home child care training programs that will enable recipients to work by providing child care for other recipients.
- (3) Provide case management and supportive services.
- (4) Develop a system to provide for public service opportunities for recipients.
- (5) Provide plans to implement the personal responsibility agreement under IC 12-14-2-21.
- (6) Develop programs to implement the school attendance requirement under IC 12-14-2-17.
- (7) Provide funds for county planning council activities under IC 12-14-22-13 **(repealed)**.
- (8) Provide that a recipient may earn up to the federal income poverty level (as defined in IC 12-15-2-1) before assistance under this title is reduced or eliminated.
- (9) Provide for child care assistance, with the recipient paying fifty percent (50%) of the local market rate as established under 45 CFR 256 for child care.
- (10) Provide for medical care assistance under IC 12-15, if the recipient's employer does not offer the recipient health care coverage.

(b) If the secretary offers a program described in subsection (a), the secretary shall annually report the results and other relevant data

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regarding the program to the legislative council in an electronic format under IC 5-14-6.

SECTION 8. IC 12-8-12-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1. The purpose of this chapter is to find available employment opportunities for ~~AFDC~~ TANF recipients that will allow the recipients to gain successful experience in an environment that includes daily work.

SECTION 9. IC 12-8-12-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 2. This chapter applies to all ~~AFDC~~ TANF recipients, except recipients exempted under rules adopted by the director under IC 4-22-2.

SECTION 10. IC 12-8-12-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 4. The director may develop programs in partnership with private employers by issuing requests for proposals to stimulate public-private partnerships to provide employment opportunities to ~~AFDC~~ TANF recipients.

SECTION 11. IC 12-8-12-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 5. The director may solicit proposals to employ ~~AFDC~~ TANF recipients through a request for proposals, that must include a statement that an employer desiring to participate in the program under section 4 of this chapter shall do the following:

(1) Provide health care assistance to ~~an AFDC~~ a TANF recipient hired by the employer under the same standards that apply to other employees. Under this subdivision, the state shall pay only for the recipient's share of the premium associated with the health care assistance. However, the payment of this premium:

(A) may not exceed the cost that would be paid by the state on behalf of the recipient for Medicaid; and

(B) is subject to the requirements of IC 12-14-2-22.

(2) Treat ~~an AFDC~~ a TANF recipient as the employer would treat a typical employee, including offering the same pay scales and promotion opportunities offered to a typical employee.

SECTION 12. IC 12-8-12-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 6. The director may do the following:

(1) Establish criteria for a request for proposals to stimulate public-private partnerships to promote employment opportunities for ~~AFDC~~ TANF recipients under this chapter.

(2) Establish sanctions, including the termination of ~~AFDC~~ TANF assistance, for ~~an AFDC~~ a TANF recipient who refuses to participate in an employment or a job training opportunity offered

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to ~~AFDC TANF~~ recipients under this chapter.

(3) Establish a procedure to set priorities for the entry of recipients into job placement and training.

SECTION 13. IC 12-10-10-4, AS AMENDED BY P.L.246-2005, SECTION 99, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 4. (a) As used in this chapter, "eligible individual" means an individual who:

(1) is a resident of Indiana;

(2) is:

(A) at least sixty (60) years of age; or

(B) disabled;

(3) has assets that do not exceed five hundred thousand dollars (\$500,000), as determined by the division; ~~and~~

(4) qualifies under criteria developed by the board as having an impairment that places the individual at risk of losing the individual's independence, as described in subsection (b); **and**

**(5) beginning July 1, 2006, is able to establish that the individual has applied for assistance under the state Medicaid program and the individual:**

**(A) is waiting for an eligibility determination by the office of the secretary;**

**(B) has been denied Medicaid coverage by the office of the secretary;**

**(C) has been determined to be eligible for a Medicaid waiver but has been placed on the waiver's waiting list; or**

**(D) is receiving services under a Medicaid home and community-based waiver but requires an additional service that is:**

**(i) not covered under the Medicaid program;**

**(ii) covered under the program; and**

**(iii) necessary in order to prevent the placement of the individual in an institution.**

(b) For purposes of subsection (a), an individual is at risk of losing the individual's independence if the individual is unable to perform two (2) or more activities of daily living. The use by or on behalf of the individual of any of the following services or devices does not make the individual ineligible for services under this chapter:

(1) Skilled nursing assistance.

(2) Supervised community and home care services, including skilled nursing supervision.

(3) Adaptive medical equipment and devices.

(4) Adaptive nonmedical equipment and devices.

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SECTION 14. IC 12-13-14-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1. (a) As used in this chapter, "automated teller machine" means an electronic hardware device owned or operated by or on behalf of a financial institution or retailer that is capable of dispensing currency and responding to balance inquiries through the use of a magnetic stripe card issued by or on behalf of the division for distribution of assistance through an EBT system as described in this chapter.

(b) As used in this chapter, "commission" refers to the electronic benefits transfer commission established by this chapter.

(c) (b) As used in this chapter, "Department" refers to the United States Department of Health and Human Services.

(d) (c) As used in this chapter, "EBT program" means an electronic benefits transfer program.

(e) (d) As used in this chapter, "financial institution" means a bank, trust company, savings institution, credit union, or any other organization:

(1) whose principal business activity is providing banking or financial services to the public; and

(2) that is organized, supervised, and authorized to do business in Indiana under IC 28 or Title 12 of the United States Code.

(f) (e) As used in this chapter, "food retailer" means a retailer that:

(1) sells food items to consumers; and

(2) has been authorized under 7 CFR 278 to participate in the food stamp program.

(g) (f) As used in this chapter, "person" includes any individual or entity described in IC 6-2.5-1-3.

(h) (g) As used in this chapter, "point of sale terminal" means an electronic hardware device that is:

(1) used at a retailer's place of business where consumers pay for goods or services; and

(2) capable of:

(A) initiating a request for authorization of a purchase of tangible personal property;

(B) disbursing currency from an account;

(C) initiating a balance inquiry for an account; or

(D) distributing assistance through an EBT system as described in this chapter.

(i) (h) As used in this chapter, "primary business" means more than fifty percent (50%) of the gross retail income (as defined in IC 6-2.5-1-5) attributable to the location or premises where the business is located.

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(i) As used in this chapter, "retailer" means a person that, in the ordinary course of business:

- (1) sells or transfers tangible personal property; or
- (2) provides or performs services for compensation; to consumers.

(j) As used in this chapter, "Secretary" refers to the Secretary of the United States Department of Agriculture.

SECTION 15. IC 12-14-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1. (a) Assistance under ~~AFDC TANF~~ shall be given to a dependent child who otherwise qualifies for assistance if the child is living in a family home of a person who is:

- (1) at least eighteen (18) years of age; and
- (2) the child's relative, including:
  - (A) the child's mother, father, stepmother, stepfather, grandmother, or grandfather; or
  - (B) a relative not listed in clause (A) who has custody of the child under a court order.

(b) A parent or relative and a dependent child of the parent or relative are not eligible for ~~AFDC TANF~~ assistance when the physical custody of the dependent child was obtained for the purpose of establishing ~~AFDC TANF~~ eligibility.

(c) A person convicted of an offense under IC 35-43-5-7 or IC 35-48-4 is not eligible to receive assistance under ~~AFDC TANF~~ for the following periods:

- (1) If the conviction is for a misdemeanor, the person is not eligible to receive assistance under ~~AFDC TANF~~ for one (1) year after the conviction.
- (2) If the conviction is for a felony, the person is not eligible to receive assistance under ~~AFDC TANF~~ for ten (10) years after the conviction.

(d) The assistance paid to a dependent child under this section may not be affected by the conviction of a parent or an essential person of the dependent child under subsection (c).

SECTION 16. IC 12-14-1-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1.5. (a) This section does not apply if the:

- (1) dependent child does not have a living parent or legal guardian;
- (2) whereabouts of the dependent child's parent or legal guardian are unknown;
- (3) dependent child is at least eighteen (18) years of age;

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(4) dependent child has received a high school diploma or a high school equivalency certificate (as defined in IC 12-14-5-2);

(5) dependent child provides proof, and the division agrees, that the physical health or safety of the dependent child or a child of the dependent child would be jeopardized if the dependent child or a child of the dependent child resides with the dependent child's parent, legal guardian, or adult relative; or

(6) dependent child is less than eighteen (18) years of age and is not married, but the dependent child or a child of the dependent child:

(A) has been alleged or adjudicated a child in need of services under IC 31-34 (or IC 31-6 before its repeal); or

(B) has been placed under the wardship or guardianship of the county office.

(b) Except as provided in subsection (d), a dependent child who is less than eighteen (18) years of age and is:

(1) not married; or

(2) married but not residing with or receiving support from a spouse;

is entitled to assistance under ~~AFDC~~ **TANF** only if the dependent child and any children of the dependent child reside with a parent, a legal guardian, or an adult relative other than a parent or legal guardian of the dependent child. A legal guardian or an adult relative not listed in section 1(a)(2)(A) of this chapter must have custody of the child under a court order.

(c) The assistance for an eligible dependent child and each child of an eligible dependent child as described in subsection (b) shall be provided to the dependent child's parent, legal guardian, or other adult relative based on the eligibility of the parent, legal guardian, or other adult relative to receive assistance under ~~AFDC~~ **TANF**.

(d) This subsection applies to the parent of:

(1) a dependent child who has never married and who:

(A) has a child; or

(B) is pregnant; and

(2) a dependent child who has never married and is adjudicated to be the father of a child.

The parent of a dependent child described in subdivision (1) or (2) is financially responsible for the care of a child of the dependent child until the dependent child becomes eighteen (18) years of age.

SECTION 17. IC 12-14-2-5.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 5.1. (a) Subject to section 5.2 of this chapter, for each parent or essential person, the

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parent or essential person may not receive payments under:

(1) section 5 of this chapter; or

(2) Medicaid under IC 12-15, when the sole basis for the person's Medicaid eligibility is based on the person's eligibility for ~~AFDC~~ TANF assistance under this article;

if the person has received assistance under this article during the person's lifetime for twenty-four (24) months after June 30, 1995.

(b) This subsection does not apply to a dependent child who:

(1) is alleged or adjudicated a child in need of services under IC 31-34 (or IC 31-6 before its repeal);

(2) is placed under the wardship or guardianship of the county office;

(3) is born as a result of incest, rape, or conduct that is a crime under IC 35-42-4-3; or

(4) has a substantial physical or mental disability.

Beginning July 1, 1995, a person who is a dependent child may not receive assistance under this article for more than twenty-four (24) months as a dependent child.

(c) Subject to:

(1) the time limits contained in subsection (a); and

(2) section 5.4 of this chapter;

a person who qualifies for ~~AFDC~~ TANF under section 5 of this chapter remains categorically eligible to receive ~~AFDC~~ TANF assistance when the person becomes employed and the person's family's net earnings from employment calculated under 45 CFR 233.20, in combination with other sources of family income, is greater than the amount of need recognized under section 5 of this chapter, but the family's gross income is less than one hundred percent (100%) of the federal income poverty level.

SECTION 18. IC 12-14-2-5.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 5.2. (a) A person may earn credit for one (1) month of ~~AFDC~~ TANF assistance for each six (6) consecutive months the person is employed full time. However, credit may not be earned for employment completed before the date the person first applies for assistance under this article.

(b) To qualify for credit under subsection (a), a person must supply the county office with proof of the periods during which the person was employed.

(c) A person may not retain credit for more than twenty-four (24) months of ~~AFDC~~ TANF assistance under this article at any time.

(d) Credit earned by one (1) member of an assistance group under this section applies to all members of the assistance group.

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(e) Credit under subsection (a) may not be earned for transitional assistance described in section 22 of this chapter.

SECTION 19. IC 12-14-2-5.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 5.3. (a) This section does not apply to a dependent child:

- (1) described in section 5.1(b)(3) or 5.1(b)(4) of this chapter;
- (2) who is the firstborn of a child less than eighteen (18) years of age who is included in ~~an AFDC~~ a TANF assistance group when the child becomes a first time minor parent (including all children in the case of a multiple birth); or
- (3) who was conceived in a month the family was not receiving ~~AFDC~~ TANF assistance.

(b) Except as provided in subsection (c), after July 1, 1995, an additional payment (other than for medical expenses payable under IC 12-15) may not be made for a dependent child who is born more than ten (10) months after the date the family qualifies for assistance under this article.

(c) The division may adopt rules under IC 4-22-2 that authorize a voucher for goods and services related to child care that do not exceed one-half (1/2) of the assistance that a dependent child described in subsection (b) would otherwise receive under section 5 of this chapter.

(d) A dependent child described in subsection (b) is eligible for all child support enforcement services provided in IC 12-17-2.

(e) Families receiving ~~AFDC~~ TANF assistance are encouraged to receive family planning counseling.

SECTION 20. IC 12-14-2-5.4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 5.4. (a) Subject to IC 12-8-1-12 and except as provided in subsection (d), the ~~AFDC~~ TANF grant for a person who:

- (1) is eligible to receive assistance under section 5 of this chapter; and
- (2) becomes employed (including a person who is in a program established under IC 12-8-11(repealed));

as calculated under subsection (b), must be diverted to subsidize child care costs.

(b) At:

- (1) the time of entry into employment; and
- (2) every subsequent change of status that affects the person's ~~AFDC~~ TANF eligibility and assistance levels;

the person's ~~AFDC~~ TANF grant minus earnings and other countable income must be calculated to determine the amount of the grant to be diverted to subsidize child care costs.

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(c) A person's ~~AFDC~~ TANF grant must be diverted as described in subsection (a) until:

- (1) the person is no longer eligible for ~~AFDC~~ TANF under section 5.1 of this chapter; or
- (2) the person's monthly family income is equal to or exceeds one hundred percent (100%) of the monthly federal income poverty level;

whichever occurs first.

(d) A person:

- (1) who becomes employed (including a person who is in a program established under IC 12-8-11 **(repealed)**); and
- (2) whose net income is equal to or more than the amount of need recognized under section 5 of this chapter;

has the option to receive either guaranteed child care or a cash payment equal to the amount of the ~~AFDC~~ TANF grant for which the person qualifies immediately before the person becomes employed.

(e) The option under subsection (d) is available until:

- (1) the person is no longer eligible for ~~AFDC~~ TANF under section 5.1 of this chapter; or
- (2) the person's monthly family income is equal to or exceeds one hundred percent (100%) of the monthly federal income poverty level;

whichever occurs first.

(f) ~~An AFDC~~ A TANF grant diverted under this section must be from the same sources and in the same proportion as provided in IC 12-19-6.

(g) The division may adopt rules under IC 4-22-2 to implement this section.

SECTION 21. IC 12-14-2-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 9. The division shall apply a percentage reduction of ninety percent (90%) to the total needs of ~~AFDC~~ TANF applicants and recipients in computing the ~~AFDC~~ TANF benefits payable.

SECTION 22. IC 12-14-2-17, AS AMENDED BY P.L.1-2005, SECTION 130, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 17. (a) To retain eligibility for ~~AFDC~~ TANF assistance under this article, a recipient of ~~AFDC~~ TANF assistance and a dependent child who is a recipient of ~~AFDC~~ TANF assistance must attend school if all of the following apply:

- (1) The recipient or the dependent child meets the compulsory attendance requirements under IC 20-33-2.
- (2) The recipient or the dependent child has not graduated from

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a high school or has not obtained a high school equivalency certificate (as defined in IC 12-14-5-2).

(3) The recipient or the dependent child is not excused from attending school under IC 20-33-2-14 through IC 20-33-2-17.

(4) The recipient or the dependent child does not have good cause for failing to attend school, as determined by rules adopted by the director under IC 4-22-2.

(5) If the recipient or the dependent child is the mother of a child, a physician has not determined that the recipient or the dependent child should delay returning to school after giving birth.

(b) A recipient or the dependent child of a recipient described in subsection (a) who has more than three (3) unexcused absences during a school year is subject to revocation or suspension of assistance as provided in section 18 of this chapter.

(c) The director, in consultation with the department of education, shall adopt rules under IC 4-22-2 to establish a definition for the term "unexcused absence".

SECTION 23. IC 12-14-2-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 18. (a) A recipient or dependent child who fails to meet the requirements of section 17 of this chapter is subject to the revocation or suspension of assistance as provided under rules adopted by the division.

(b) ~~Any AFDC~~ A TANF recipient who refuses to participate in an employment opportunity or a job training opportunity offered to the recipient under IC 12-8-12 is subject to sanctions established by the director under IC 12-8-12-6(2).

SECTION 24. IC 12-14-2-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 20. (a) This section does not apply to a person who voluntarily leaves an employer for any of the following reasons:

(1) The person accepted previously secured permanent full-time work with another employer that offered reasonable expectation of higher wages or better working conditions.

(2) The person left the employer due to a medically substantiated physical disability and is involuntarily unemployed after having made reasonable efforts to maintain the employment relationship.

(3) The person left work to enter the armed forces of the United States.

(4) The person's employment was terminated under the compulsory retirement provision of a collective bargaining agreement to which the employer is a party, or under any other plan, system, or program, public or private, providing for

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compulsory retirement.

(5) The person voluntarily left the employer, and:

(A) the person's previous employment was outside the person's labor market;

(B) the person left to accept previously secured full-time work with an employer in the person's labor market; and

(C) the person actually became employed with the employer in the person's labor market within the area surrounding the person's permanent residence, outside which the person cannot reasonably commute on a daily basis. In determining whether a person can reasonably commute under this clause, the division shall consider the nature of the person's job.

(6) The person was laid off by the employer.

(b) A person who applies for ~~AFDC~~ TANF assistance under this article and:

(1) voluntarily leaves the person's most recent employer:

(A) within six (6) months before applying for ~~AFDC~~; TANF; or

(B) at any time after becoming a recipient of ~~AFDC~~ TANF under this chapter; or

(2) voluntarily reduces the number of hours the person works in order to qualify for or retain eligibility for assistance under this article;

is ineligible to receive assistance under IC 12-14 for six (6) months after leaving the person's employer or reducing the person's hours.

(c) A person who is ineligible to receive assistance under subsection

(b) is also ineligible to receive Medicaid assistance under IC 12-15 if the sole basis for the person's Medicaid eligibility is based on the person's eligibility for ~~AFDC~~ TANF assistance under this article.

SECTION 25. IC 12-14-2-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 21. (a) ~~An AFDC A~~ TANF recipient or the parent or essential person of ~~an AFDC a~~ TANF recipient if the ~~AFDC~~ TANF recipient is less than eighteen (18) years of age must sign a personal responsibility agreement to do the following:

(1) Develop an individual self-sufficiency plan with other family members and a caseworker.

(2) Accept any reasonable employment as soon as it becomes available.

(3) Agree to a loss of assistance, including ~~AFDC~~ TANF assistance under this article, Medicaid assistance under IC 12-15 if the sole basis for the person's Medicaid eligibility is based on

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the person's eligibility for ~~AFDC~~ **TANF** assistance under this article, and food stamps, if convicted of an offense under IC 35-43-5-7 or IC 35-43-5-7.1 for the following periods:

(A) If the conviction is for a misdemeanor, the person is not eligible to receive assistance as described under this subdivision for one (1) year after the conviction.

(B) If the conviction is for a felony, the person is not eligible to receive assistance as described under this subdivision for ten (10) years after the conviction.

(4) Subject to section 5.3 of this chapter, understand that additional ~~AFDC~~ **TANF** assistance under this article will not be available for a child born more than ten (10) months after the person qualifies for assistance.

(5) Accept responsibility for ensuring that each child of the person receives all appropriate vaccinations against disease at an appropriate age.

(6) If the person is less than eighteen (18) years of age and is a parent, live with the person's parents, legal guardian, or an adult relative other than a parent or legal guardian in order to receive public assistance.

(7) Subject to IC 12-8-1-12 and sections 5.1 and 22 of this chapter, agree to accept assistance for not more than twenty-four (24) months under:

(A) the ~~AFDC~~ **TANF** program (IC 12-14); and

(B) the Medicaid program (IC 12-15), if the sole basis for the person's Medicaid eligibility is based on the person's eligibility for ~~AFDC~~ **TANF** assistance under this article.

(8) Be available for and actively seek and maintain employment.

(9) Participate in any training program required by the division.

(10) Accept responsibility for ensuring that the person and each child of the person attend school until the person and each child of the person ~~graduates~~ **graduate** from high school or attain a high school equivalency certificate (as defined in IC 12-14-5-2).

(11) Raise the person's children in a safe, secure home.

(12) Agree not to abuse illegal drugs or other substances that would interfere with the person's ability to attain self-sufficiency.

(b) Except as provided in subsection (c), assistance under the ~~AFDC~~ **TANF** program and Medicaid assistance under IC 12-15 (if the sole basis for the person's Medicaid eligibility is based on the person's eligibility for ~~AFDC~~ **TANF** assistance under this article) shall be withheld or denied to a person who does not fulfill the requirements of the personal responsibility agreement under subsection (a).

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(c) A person who is granted an exemption under section 23 of this chapter may be excused from specific provisions of the personal responsibility agreement as determined by the director.

SECTION 26. IC 12-14-2-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 22. (a) Subsection (b) does not apply to a person who accepts a job with an employer who offers a health insurance plan as an employee benefit when the person qualifies for coverage under the health insurance plan.

(b) A person who:

(1) has a source of income that makes the person ineligible for ~~AFDC TANF~~ assistance under this article but that is less than one hundred fifty percent (150%) of the federal income poverty level; or

(2) is:

(A) employed;

(B) ineligible for assistance under section 5.1 of this chapter; and

(C) earning a net income equal to or more than the amount of need recognized under section 5 of this chapter, but less than one hundred fifty percent (150%) of the federal income poverty level;

may qualify for Medicaid assistance under IC 12-15 for not more than twelve (12) months, if the person otherwise qualifies for Medicaid.

(c) A person who:

(1) has a source of income that makes the person ineligible for ~~AFDC TANF~~ assistance under this article but that is less than one hundred thirty-three percent (133%) of the federal income poverty level; or

(2) is:

(A) employed;

(B) ineligible for assistance under section 5.1 of this chapter; and

(C) earning a net income equal to or more than the amount of need under section 5 of this chapter, but less than one hundred thirty-three percent (133%) of the federal income poverty level;

may qualify to receive, under rules established by the division, for not more than twelve (12) months, assistance equal to fifty percent (50%) of the local market rate as established under 45 CFR 256 for transitional child care assistance for each dependent child if the child who requires child care is less than thirteen (13) years of age.

(d) A person may not qualify for more than twelve (12) months of

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1 assistance under subsection (b) or (c) during the person's lifetime. The  
 2 director shall adopt rules under IC 4-22-2 to determine conditions for  
 3 eligibility under this section, subject to IC 12-8-1-12.

4 SECTION 27. IC 12-14-2-24 IS AMENDED TO READ AS  
 5 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 24. (a) A dependent  
 6 child and a parent or an essential person are not eligible for ~~AFDC~~  
 7 TANF assistance under this chapter unless the mother of the dependent  
 8 child:

9 (1) initiates a court proceeding to establish paternity, other than  
 10 an adoption proceeding, except as provided in IC 31-14-20-2;

11 (2) executes a paternity affidavit under IC 16-37-2-2.1; or

12 (3) requests, at the time of application or renewal, that the Title  
 13 IV-D agency or its agents file a paternity action under  
 14 IC 31-14-4-3.

15 (b) A person applying for assistance under this chapter is not  
 16 required to comply with subsection (a) if:

17 (1) the father of the dependent child has been charged with an act  
 18 of rape, incest, or child molesting that occurred against the  
 19 dependent child's mother within ten (10) months before the birth  
 20 of the dependent child;

21 (2) the mother of the dependent child is deceased;

22 (3) the division determines under rules adopted by the division  
 23 under IC 4-22-2 that the mother of the dependent child could not  
 24 know the identity of the child's father; or

25 (4) the mother of the dependent child provides proof, and the  
 26 division agrees, that the physical health or safety of the mother or  
 27 the dependent child would be jeopardized if the mother complies  
 28 with subsection (a).

29 (c) If a dependent child's mother is a party to a paternity action filed  
 30 under IC 31-14 (or IC 31-6-6.1 before its repeal), a county office shall  
 31 revoke assistance under this chapter if the mother fails to pursue the  
 32 paternity action.

33 (d) The office may not delay payments otherwise owing to a  
 34 provider if the mother fails to comply with this section.

35 SECTION 28. IC 12-14-2-25 IS AMENDED TO READ AS  
 36 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 25. (a) When a person  
 37 applies for assistance under this chapter, the county office shall  
 38 determine whether the person has received assistance under the ~~AFDC~~  
 39 TANF program from another state within the past three (3) years.

40 (b) The county office shall require each applicant to provide proof  
 41 of all addresses used by the applicant and each member of the  
 42 applicant's immediate family during the three (3) years before

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1 completing the application.

2 (c) The county office shall contact the agency administering ~~AFDC~~  
3 **TANF** in any state where the applicant alleges to have lived within the  
4 past three (3) years to determine if the applicant has received assistance  
5 under the ~~AFDC~~ **TANF** program in that state.

6 (d) Each month of assistance the applicant has received under the  
7 ~~AFDC~~ **TANF** program from another state within the past three (3)  
8 years counts as one (1) month against the person's lifetime eligibility  
9 for assistance in Indiana as determined under section 5.1 of this  
10 chapter.

11 (e) Each county office shall provide information to another state  
12 regarding assistance provided to a person in Indiana if the other state  
13 has, or is willing to provide, similar information as needed to the  
14 county office.

15 SECTION 29. IC 12-14-2.5-2 IS AMENDED TO READ AS  
16 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 2. A person who is a  
17 lawful permanent resident is eligible for:

- 18 (1) ~~AFDC~~ **TANF** assistance under this article for a period of one
- 19 (1) year; and
- 20 (2) one (1) year of transitional benefits under section 22 of this
- 21 chapter.

22 SECTION 30. IC 12-14-5-1 IS AMENDED TO READ AS  
23 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1. Sections 1 through  
24 5 of this chapter apply to an individual who is:

- 25 (1) less than eighteen (18) years of age and not enrolled in an
- 26 educational or a vocational training program; or
- 27 (2) a parent of a dependent child who has not graduated from high
- 28 school or earned a:
- 29 (A) high school equivalency certificate; or
- 30 (B) state of Indiana general educational development (GED)
- 31 diploma;

32 and is a member of a family that receives ~~AFDC~~ **TANF**.

33 SECTION 31. IC 12-14-5.5-1 IS AMENDED TO READ AS  
34 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1. The division shall  
35 implement a program to require a person receiving assistance under the  
36 ~~AFDC~~ **TANF** program or under IC 12-15 (if the sole basis for the  
37 person's Medicaid eligibility is based on the person's eligibility for  
38 ~~AFDC~~ **TANF** under this article) and who is:

- 39 (1) at least eighteen (18) years of age; or
- 40 (2) less than eighteen (18) years of age and the parent of a
- 41 dependent child;
- 42 to engage in public service in exchange for assistance under these

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1 programs.

2 SECTION 32. IC 12-14-5.5-5 IS AMENDED TO READ AS  
3 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 5. A person required to  
4 engage in public service under this chapter who refuses to engage in  
5 public service is not entitled to receive assistance under the ~~AFDC~~  
6 TANF program and under IC 12-15 (if the sole basis for the person's  
7 Medicaid eligibility is based on the person's eligibility for ~~AFDC~~  
8 TANF assistance under this article).

9 SECTION 33. IC 12-14-9.5-3 IS AMENDED TO READ AS  
10 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3. ~~AFDC~~ TANF shall  
11 be paid monthly to the recipient by warrant of the auditor of state from  
12 the ~~AFDC~~ TANF account of the state general fund after receipt of a  
13 schedule of the recipients and the amount payable to each recipient.  
14 The schedule must be prepared and verified by the director of the  
15 division or the director's designee according to the awards made by the  
16 county offices. All schedules must be filed in the form prescribed by  
17 the auditor of state.

18 SECTION 34. IC 12-14-29-5, AS ADDED BY P.L.92-2005,  
19 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
20 JULY 1, 2006]: Sec. 5. (a) If referred by **the judge of a court who has**  
21 **submitted the certified statement required in section 8 of this**  
22 **chapter**, an individual who meets the requirements of section 2 of this  
23 chapter may receive food stamps for not more than twelve (12) months.

24 (b) If referred by **the judge of a court who has submitted the**  
25 **certified statement required in section 8 of this chapter**, an  
26 individual who meets the requirements of section 3 of this chapter may  
27 receive TANF benefits for not more than twelve (12) months.

28 SECTION 35. IC 12-14-29-8 IS ADDED TO THE INDIANA  
29 CODE AS A NEW SECTION TO READ AS FOLLOWS  
30 [EFFECTIVE JULY 1, 2006]: Sec. 8. (a) **The judge of the reentry**  
31 **court program shall submit to the division of family resources a**  
32 **certified statement that the reentry court program meets the**  
33 **requirements of this chapter.**

34 (b) **An individual who meets the requirements of section 2 of this**  
35 **chapter is not eligible to receive food stamps or TANF benefits**  
36 **under section 5 of this chapter unless the judge of the reentry court**  
37 **program has submitted the certified statement required in**  
38 **subsection (a).**

39 SECTION 36. IC 12-15-2-7 IS AMENDED TO READ AS  
40 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 7. A child in a family  
41 who receives ~~AFDC~~ TANF assistance and is less than twenty-one (21)  
42 years of age but not otherwise eligible to be included in section 2 or 3

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of this chapter is eligible to receive Medicaid.

SECTION 37. IC 12-15-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 2. An individual who is receiving monthly assistance payments in the ~~AFDC~~ TANF category is not required to make an application for Medicaid.

SECTION 38. IC 12-15-15-2.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: **Sec. 2.7. (a) If approved by the office, a managed care organization may adopt a plan for the collection of a copayment for services that are provided to a Medicaid recipient in an emergency room.**

**(b) Each managed care organization must adopt a plan that includes the following components:**

**(1) The education of Medicaid recipients concerning how a recipient may access health care services and modifications to the recipient's health plan.**

**(2) Procedures to track visits to emergency rooms by Medicaid recipients.**

**(3) Alternative sites for Medicaid recipients to receive health care services.**

**(4) Methods to clearly identify a Medicaid recipient's current status to a provider who is not a member of the recipient's managed care organization.**

**(5) Procedures to pay for professional services provided to screen a Medicaid recipient who seeks services in an emergency room.**

**(6) Protocols for dispute resolution between the managed care organization and providers.**

SECTION 39. IC 12-16-4.5-2, AS AMENDED BY P.L.145-2005, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 2. A hospital, physician, or transportation provider must file the application with the division not more than ~~forty-five (45)~~ **sixty (60)** days after the person has been released or discharged from the hospital, unless the person is medically unable and the next of kin or legal representative is unavailable.

SECTION 40. IC 12-16-4.5-8, AS AMENDED BY P.L.145-2005, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 8. (a) A person or a person's representative may file an application directly with the division if the application is filed not more than ~~forty-five (45)~~ **sixty (60)** days after the person has been released or discharged from the hospital.

(b) Reimbursement for the costs incurred in providing care to an

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1 eligible person may only be made to the providers of the care.

2 SECTION 41. IC 12-16-5.5-3, AS AMENDED BY P.L.145-2005,  
3 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
4 JULY 1, 2006]: Sec. 3. (a) Subject to subsection (b) and  
5 IC 12-16-6.5-1.5, if the division is unable ~~after prompt and diligent~~  
6 ~~efforts~~ to verify information contained in the application that is  
7 reasonably necessary to determine eligibility, the division may deny  
8 assistance under the hospital care for the indigent program. The  
9 pending expiration of the period specified in IC 12-16-6.5-1.5 is not a  
10 valid reason for denying a person's eligibility for the hospital care for  
11 the indigent program.

12 (b) Before denying assistance under the hospital care for the  
13 indigent program, the division must provide the person, the hospital,  
14 and any other provider who submitted a claim under IC 12-16-4.5-8.5  
15 written notice of:

- 16 (1) the specific information or verification needed to determine
- 17 eligibility;
- 18 (2) the specific efforts undertaken to obtain the information or
- 19 verification; and
- 20 (3) the statute or rule requiring the information or verification
- 21 identified under subdivision (1).

22 (c) The division must provide the hospital and any other provider  
23 who submitted a claim under IC 12-16-4.5-8.5 a period of time, not less  
24 than ten (10) days beyond the deadline established under  
25 IC 12-16-6.5-1.5, to submit to the division information concerning the  
26 person's eligibility. If the division does not make a determination of the  
27 person's eligibility within ten (10) days after receiving the information  
28 under this subsection, the person is eligible without the division's  
29 determination of the person's eligibility for the hospital care for the  
30 indigent care program under this article.

31 SECTION 42. IC 12-16-5.5-3.2, AS ADDED BY P.L.145-2005,  
32 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
33 JULY 1, 2006]: Sec. 3.2. (a) Subject to subsection (b) and  
34 IC 12-16-6.5-1.7, if the division is unable ~~after prompt and diligent~~  
35 ~~efforts~~ to determine that a health care item or service identified in a  
36 claim:

- 37 (1) was necessitated by one (1) or more of the medical conditions
- 38 listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or
- 39 IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3); or
- 40 (2) was a direct consequence of one (1) or more of the medical
- 41 conditions listed in IC 12-16-3.5-1(a)(1) through
- 42 IC 12-16-3.5-1(a)(3);



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the division may deny assistance to the person under the hospital care for the indigent program for that item or service. The pending expiration of the period specified in IC 12-16-6.5-1.7 is not a valid reason for determining that an item or a service was not necessitated by one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3), or was not a direct consequence of one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3).

(b) Before denying assistance under the hospital care for the indigent program for an item or a service described in subsection (a), the division must provide the provider of the item or service written notice of:

- (1) the specific item or service in question; and
- (2) an explanation of the basis for the division's inability to determine that the health care item or service was:

(A) necessitated by one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3); or

(B) a direct consequence of one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3);

including, if applicable, an explanation of the basis for a conclusion by the division that an item or service, in fact, was not necessitated by, or, as applicable, not a direct consequence of, one

(1) or more of such medical conditions.

(c) The division must grant the provider of the item or service a period of time, not less than ten (10) days beyond the deadline under IC 12-16-6.5-1.7, to submit to the division information or materials bearing on whether the item or service was necessitated by one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3), or was a direct consequence of one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3). If the division does not make its determination regarding the item or service within ten (10) days after receiving information or materials provided for in this section, the item or service is considered, without the division's determination, to have been necessitated by one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3), or to have been a direct consequence of one (1) or more of the medical conditions listed

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in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3).

SECTION 43. IC 12-16-6.5-1.5, AS ADDED BY P.L.145-2005, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1.5. Subject to IC 12-16-5.5-3(c), if the division fails to complete an investigation and determination of a person's eligibility for the hospital care for the indigent program not later than ~~forty-five (45)~~ **sixty (60)** days after receipt of the application filed under IC 12-16-4.5, the person is considered to be eligible without the division's determination of assistance under the program.

SECTION 44. IC 12-16-6.5-1.7, AS ADDED BY P.L.145-2005, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1.7. Subject to IC 12-16-5.5-3.2(c), if the division fails to complete an investigation and determination of one (1) or more health care items or services identified in a claim within ~~forty-five (45)~~ **sixty (60)** days after receipt of the claim filed under IC 12-16-4.5, the item or service is considered to have been:

- (1) necessitated by one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3); or
- (2) a direct consequence of one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3).

SECTION 45. IC 12-17-2-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 22. All the services provided in ~~sections 16 and section 21~~ of this chapter must be available to individuals other than recipients or applicants for ~~AFDC TANF~~ upon application for the services accompanied by the payment of an application fee set by the Title IV-D agency. Fees other than the application fee must be imposed in accord with federal law governing this program.

SECTION 46. IC 12-17-2-29 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 29. (a) A recipient of ~~AFDC TANF~~ who is aggrieved by the action of the Title IV-D agency in paying or not paying money to the recipient out of the support money collected by the agency under an assignment to Indiana may appeal the action to the Title IV-D agency. The appeal may not be used to redetermine eligibility for assistance, but must be limited to the issue as to whether upon the records before the Title IV-D agency proper distribution was made out of the support money collected.

(b) If as a result of the appeal the Title IV-D agency has reasonable cause to believe that the records in the agency's possession concerning the appellant are in error, the Title IV-D agency shall notify the agency

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supplying the records of possible errors and request corrective action.

(c) The appeal hearing must be held in accordance with the rules of the division.

SECTION 47. IC 12-19-7-6, AS AMENDED BY P.L.234-2005, SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 6. (a) The department, upon the advice of the judges of the courts with juvenile jurisdiction in the county and after consulting with the division of family resources, shall annually compile and adopt a child services budget, which must be in a form prescribed by the state board of accounts.

(b) The budget must contain an estimate of the amount of money that will be needed by the department during the ensuing year to defray the expenses and obligations incurred by the department in the payment of services for children adjudicated to be children in need of services or delinquent children and other related services, but not including the payment of ~~AFDC~~ TANF.

SECTION 48. IC 29-1-14-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 9. (a) All claims shall be classified in one (1) of the following classes. If the applicable assets of the estate are insufficient to pay all claims in full, the personal representative shall make payment in the following order:

(1) Costs and expenses of administration.

(2) Reasonable funeral expenses. However, in any estate in which the decedent was a recipient of public assistance under IC 12-1-1 through IC 12-1-12 (before its repeal) or any of the following, the amount of funeral expenses having priority over any claim for the recovery of public assistance shall not exceed the limitations provided for under IC 12-14-6, IC 12-14-17, and IC 12-14-21:

~~AFDC~~ TANF assistance.

~~AFDC~~ TANF burials.

~~AFDC~~ TANF IMPACT/J.O.B.S.

~~AFDC-UP~~ Temporary Assistance to Other Needy Families (TAONF) assistance.

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Blind relief.

Child care.

Child welfare adoption assistance.

Child welfare adoption opportunities.

Child welfare assistance.

Child welfare child care improvement.

Child welfare child abuse.

Child welfare child abuse and neglect prevention.

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- 1 Child welfare children's victim advocacy program.
- 2 Child welfare foster care assistance.
- 3 Child welfare independent living.
- 4 Child welfare medical assistance to wards.
- 5 Child welfare program review action group (PRAG).
- 6 Child welfare special needs adoption.
- 7 Food Stamp administration.
- 8 Health care for indigent (HCI).
- 9 ICES.
- 10 IMPACT (food stamps).
- 11 Title IV-D (ICETS).
- 12 Title IV-D child support administration.
- 13 Title IV-D child support enforcement (parent locator).
- 14 Medicaid assistance.
- 15 Medical services for inmates and patients (590).
- 16 Room and board assistance (RBA).
- 17 Refugee social service.
- 18 Refugee resettlement.
- 19 Repatriated citizens.
- 20 SSI burials and disabled examinations.
- 21 Title XIX certification.
- 22 (3) Allowances made under IC 29-1-4-1.
- 23 (4) All debts and taxes having preference under the laws of the
- 24 United States.
- 25 (5) Reasonable and necessary medical expenses of the last
- 26 sickness of the decedent, including compensation of persons
- 27 attending him.
- 28 (6) All debts and taxes having preference under the laws of this
- 29 state; but no personal representative shall be required to pay any
- 30 taxes on any property of the decedent unless such taxes are due
- 31 and payable before possession thereof is delivered by the personal
- 32 representative pursuant to the provisions of IC 29-1.
- 33 (7) All other claims allowed.
- 34 (b) No preference shall be given in the payment of any claim over
- 35 any other claim of the same class, nor shall a claim due and payable be
- 36 entitled to a preference over claims not due.
- 37 SECTION 49. THE FOLLOWING ARE REPEALED [EFFECTIVE
- 38 JULY 1, 2006]: IC 12-13-14-3; IC 12-13-14-4.
- 39 SECTION 50. [EFFECTIVE JULY 1, 2006] (a) **As used in this**
- 40 **SECTION, "office" refers to the office of Medicaid policy and**
- 41 **planning established by IC 12-8-6-1.**
- 42 (b) **The office shall apply to the United States Department of**

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1 Health and Human Services for a waiver under the state Medicaid  
 2 program from the requirement that cost sharing charges be  
 3 nominal when nonemergency services are furnished in a hospital  
 4 emergency room to a Medicaid recipient.

5 (c) The office shall request in the waiver applied for under  
 6 subsection (b) that a Medicaid recipient be charged the maximum  
 7 amount allowable for an emergency room visit in which only  
 8 nonemergency services were provided.

9 (d) The office may not implement the waiver until the office files  
 10 an affidavit with the governor attesting that the waiver applied for  
 11 under this SECTION is in effect. The office shall file the affidavit  
 12 under this subsection not later than five (5) days after the office is  
 13 notified by the United States Department of Health and Human  
 14 Services that the waiver is approved.

15 (e) If the office receives approval for the waiver under this  
 16 SECTION and the governor receives the affidavit filed under  
 17 subsection (d), the office shall implement the waiver on the later of  
 18 the following:

19 (1) January 1, 2007.

20 (2) Not more than sixty (60) days after the governor receives  
 21 the affidavit.

22 (f) The office may adopt rules under IC 4-22-2 necessary to  
 23 implement this SECTION.

24 (g) This SECTION expires December 31, 2013.

25 SECTION 51. [EFFECTIVE JULY 1, 2006] (a) The office of the  
 26 secretary of family and social services shall develop a plan to  
 27 provide coverage to the parents of a child covered by the children's  
 28 health insurance program under IC 12-17.6. The plan must include  
 29 the following:

30 (1) The cost for coverage described in this subsection.

31 (2) The number of eligible individuals.

32 (3) The type of coverage provided in the plan.

33 (4) Funding sources.

34 (5) Any other information relevant in implementing a plan to  
 35 provide coverage described in this subsection.

36 (b) The office of the secretary shall submit the plan described in  
 37 subsection (a) to the legislative council in electronic format under  
 38 IC 5-14-6 not later than December 1, 2006.

39 (c) This SECTION expires December 31, 2007.

40 SECTION 52. [EFFECTIVE JULY 1, 2006] (a) As used in this  
 41 SECTION, "commission" refers to the electronics benefit transfer  
 42 commission established by IC 12-13-14-3 (before its repeal by this

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1 act).

2 (b) The records of the commission shall be transferred to the  
3 division of family resources established by IC 12-13-1-1.

4 (c) This SECTION expires December 31, 2006.

5 SECTION 53. [EFFECTIVE JULY 1, 2006] (a) The auditor of  
6 state and the budget agency shall change the name of any account  
7 that refers to the Aid to Families with Dependent Children (AFDC)  
8 program to the Temporary Assistance for Needy Families (TANF)  
9 program.

10 (b) The auditor of state and the budget agency shall make any  
11 other changes necessary to meet the requirements of subsection (a).

12 (c) This SECTION expires December 31, 2007.

13 SECTION 54. [EFFECTIVE JULY 1, 2006] (a) The office of  
14 Medicaid policy and planning shall do the following:

15 (1) Study possible changes to the state Medicaid program or  
16 other new programs that would limit or restrict a future  
17 increase in the number of Medicaid recipients in health  
18 facilities licensed under IC 16-28.

19 (2) Prepare a comprehensive cost comparison of Medicaid  
20 and Medicaid waiver services and other expenditures in the  
21 following settings:

22 (A) Home care.

23 (B) Community care.

24 (C) Health facilities.

25 The cost comparison must include a comparison of similar  
26 services that are provided in the different settings.

27 (b) Before October 1, 2006, the office of Medicaid policy and  
28 planning shall report its findings under subsection (a) to the select  
29 joint commission on Medicaid oversight established by IC 2-5-26-3.

30 (c) This SECTION expires January 1, 2007.

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## COMMITTEE REPORT

Madam President: The Senate Committee on Health and Provider Services, to which was referred Senate Bill No. 270, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, delete lines 16 through 17.

Delete pages 2 through 6.

Page 12, delete lines 41 through 42.

Page 13, delete lines 1 through 23.

Page 25, between lines 40 and 41, begin a new paragraph and insert:

"SECTION 32. IC 12-14-22-4.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: **Sec. 4.5. TANF records that would identify an individual who has applied for or is receiving cash assistance or supportive services under the TANF program:**

**(1) are not public records;**

**(2) are confidential; and**

**(3) are exempt from the disclosure requirements of IC 5-14-3-3."**

Page 26, between lines 28 and 29, begin a new paragraph and insert:

"SECTION 37. IC 12-15-15-2.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: **Sec. 2.7. (a) This section applies after December 31, 2006.**

**(b) If the office requires the collection of a copayment for nonemergency services that are provided to a Medicaid recipient in an emergency room, the copayment:**

**(1) must be collected by:**

**(A) the office; or**

**(B) the managed care organization, if the recipient is enrolled in a managed care organization; and**

**(2) may not be considered by the office, or a managed care organization if the recipient is enrolled in a managed care organization, in:**

**(A) determining the reimbursement rates; or**

**(B) reimbursing a provider;**

**for the nonemergency services."**

Page 26, line 33, delete "ninety (90)" and insert "**sixty (60)**".

Page 26, line 40, delete "ninety (90)" and insert "**sixty (60)**".

Page 27, line 26, reset in roman "If the division does not make a determination of the".

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Page 27, reset in roman lines 27 through 30.  
 Page 28, line 35, reset in roman "If the division does not make its determination".  
 Page 28, reset in roman lines 36 through 42.  
 Page 29, reset in roman line 1.  
 Page 29, line 7, delete "ninety (90)" and insert "**sixty (60)**".  
 Page 29, line 15, delete "ninety (90)" and insert "**sixty (60)**".  
 Page 32, line 18, after "waiver" insert "**on the later of the**  
**following:**  
 (1) **January 1, 2007.**  
 (2)".  
 Renumber all SECTIONS consecutively.  
 and when so amended that said bill do pass.  
 (Reference is to SB 270 as introduced.)

MILLER, Chairperson

Committee Vote: Yeas 7, Nays 0.

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SENATE MOTION

Madam President: I move that Senator Sipes be added as second author of Senate Bill 270.

MILLER

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SENATE MOTION

Madam President: I move that Senate Bill 270 be amended to read as follows:

Page 7, between lines 38 and 39, begin a new paragraph and insert:  
 "SECTION 12. IC 12-10-10-4, AS AMENDED BY P.L.246-2005, SECTION 99, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 4. (a) As used in this chapter, "eligible individual" means an individual who:

- (1) is a resident of Indiana;
- (2) is:
  - (A) at least sixty (60) years of age; or
  - (B) disabled;
- (3) has assets that do not exceed five hundred thousand dollars

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(\$500,000), as determined by the division; ~~and~~

(4) qualifies under criteria developed by the board as having an impairment that places the individual at risk of losing the individual's independence, as described in subsection (b); ~~and~~

**(5) beginning July 1, 2006, is able to establish that the individual has applied for assistance under the state Medicaid program and the individual:**

**(A) is waiting for an eligibility determination by the office of the secretary;**

**(B) has been denied Medicaid coverage by the office of the secretary;**

**(C) has been determined to be eligible for a Medicaid waiver but has been placed on the waiver's waiting list; or**

**(D) is receiving services under a Medicaid home and community-based waiver but requires an additional service that is:**

**(i) not covered under the Medicaid program;**

**(ii) covered under the program; and**

**(iii) necessary in order to prevent the placement of the individual in an institution.**

(b) For purposes of subsection (a), an individual is at risk of losing the individual's independence if the individual is unable to perform two (2) or more activities of daily living. The use by or on behalf of the individual of any of the following services or devices does not make the individual ineligible for services under this chapter:

(1) Skilled nursing assistance.

(2) Supervised community and home care services, including skilled nursing supervision.

(3) Adaptive medical equipment and devices.

(4) Adaptive nonmedical equipment and devices."

Renumber all SECTIONS consecutively.

(Reference is to SB 270 as printed January 27, 2006.)

MILLER

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#### SENATE MOTION

Madam President: I move that Senate Bill 270 be amended to read as follows:

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Page 20, delete lines 14 through 22.  
 Page 26, line 37, delete "; IC 12-14-22-5;" and insert ".".  
 Page 26, delete line 38.  
 Renumber all SECTIONS consecutively.

(Reference is to SB 270 as printed January 27, 2006.)

MILLER

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SENATE MOTION

Madam President: I move that Senator Skinner be added as coauthor of Senate Bill 270.

MILLER

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred Senate Bill 270, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 2-5-23-21 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: **Sec. 21. Not more than thirty (30) days after a change to the state Medicaid plan for the Medicaid program, the office of Medicaid policy and planning shall submit a report of the change to the commission and the legislative council in an electronic format under IC 5-14-6.**"

Page 22, line 1, delete "This section applies after" and insert: **"If approved by the office, a managed care organization may adopt a plan for the collection of a copayment for services that are provided to a Medicaid recipient in an emergency room.**

**(b) Each managed care organization must adopt a plan that includes the following components:**

**(1) The education of Medicaid recipients concerning how a recipient may access health care services and modifications to the recipient's health plan.**



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**(2) Procedures to track visits to emergency rooms by Medicaid recipients.**

**(3) Alternative sites for Medicaid recipients to receive health care services.**

**(4) Methods to clearly identify a Medicaid recipient's current status to a provider who is not a member of the recipient's managed care organization.**

**(5) Procedures to pay for professional services provided to screen a Medicaid recipient who seeks services in an emergency room.**

**(6) Protocols for dispute resolution between the managed care organization and providers."**

Page 22, delete lines 2 through 15.

Page 28, line 7, delete "not" and insert "Not".

Page 28, after line 41, begin a new paragraph and insert:

**"SECTION 54. [EFFECTIVE JULY 1, 2006] (a) The office of Medicaid policy and planning shall do the following:**

**(1) Study possible changes to the state Medicaid program or other new programs that would limit or restrict a future increase in the number of Medicaid recipients in health facilities licensed under IC 16-28.**

**(2) Prepare a comprehensive cost comparison of Medicaid and Medicaid waiver services and other expenditures in the following settings:**

**(A) Home care.**

**(B) Community care.**

**(C) Health facilities.**

**The cost comparison must include a comparison of similar services that are provided in the different settings.**

**(b) Before October 1, 2006, the office of Medicaid policy and planning shall report its findings under subsection (a) to the select joint commission on Medicaid oversight established by IC 2-5-26-3.**

**(c) This SECTION expires January 1, 2007."**

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 270 as reprinted February 2, 2006.)

BROWN T, Chair

Committee Vote: yeas 4, nays 3.

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